

**Idaho Energy Division
Criteria for Technical and Economic
Feasibility Review for the Agriculture Energy Efficiency Loan Program**

Eligibility

- Projects must be conducted in the state of Idaho.
- Utilize reliable and existing technology.
- Must meet federal and state air and water quality standards.
- Must be compliant with Idaho Department of Water Resources' water right regulations.
- Must demonstrate the ability to conserve energy or use renewable energy.
- Can be for retrofits of existing buildings and existing irrigation systems.
- Can be for new irrigation systems where land has been flood irrigated.
- Can be for new energy efficient lighting and sensors for existing buildings and related structures or in new construction.
- Can be for energy efficient upgrades for dairy parlors.
- Can be used for variable speed drives.
- Can be used for no-till drills.
- Applicant must complete the credit application process and begin installation of improvements within 90 days of approval by the Energy Division.
- Applicant must be the direct user/benefited of the loan project.
- The Energy Division will not subordinate its lien position.

Ineligible

- New building construction with exception of lighting systems previously mentioned.
- Refinancing of existing projects or loans.
- Projects that are already in progress.
- Loans on used equipment.

Terms

- Improvements must show an estimated payback period of 15 years or less based on dollar savings calculated by the Energy Division.
- Repayment period of the loan is 5 years or less. Not to be confused with the payback period.
- The maximum loan amount per project is \$100,000.
- The Energy Division is currently offering loans at a 4% interest rate

Loan Process

- Complete and return the application with all required information to the Energy Division.

- The AIM team will review the project for economical and technical feasibility.
- The FAPT team will prepare a credit analysis based on financial information submitted.
- Economical and technical feasibility along with the credit analysis will be sent to the Agriculture Loan Committee for final approval.
- Notice will be given to applicant of approval or rejection and on what basis.
- Invoices for all completed projects must match the application (bid) before funds will be disbursed.
- Loans will be secured with a lien on equipment, fixtures or real estate.
- The Energy Division will not subordinate its lien position to future liens.
- Upon approval, payment amount and schedule will be provided along with promissory notes and any necessary security agreements for applicant's signature.
- Funds will be disbursed upon receipt of signed documents.
- All paperwork should be mailed to:

**Idaho Energy Division
Financial Team
P.O. Box 83720
Boise, ID 83720-0098**

Notice to Loan Applicants

In order to have your loan processed in a timely manner, please submit **all the required paperwork** to the Energy Division as soon as possible. Due to the number of applications that are received between the first of the year and the start of irrigation season a turn around time of 60 days is generally required once all paperwork has been received. All loans are processed in the order in which they are received and will be processed as quickly as possible.

If design assistance is required on new irrigation systems additional time may be required to process the loan. New irrigation systems should follow NRCS guidelines. A complete and legible drawing of the system as well as a parts list should be included with the loan application. On new irrigation systems the loan cannot be used for well drilling, casing, or screens. The loan cannot be used for design costs, back pumps, pivot corner spans or for power line extensions on the utility side of the meter. For further assistance with and guidelines for new irrigation systems contact the AIM team.

It is recommended that no work be started before the loan has been approved.

If assistance is required on designing of projects contact the AIM Team.